

# House File 463 - Introduced

HOUSE FILE 463

BY HALL

## A BILL FOR

1 An Act related to certain veteran-owned businesses by  
2 establishing certain state procurement goals and preferences  
3 in government contracting.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 15.102, subsection 10, paragraph a,  
2 unnumbered paragraph 1, Code 2015, is amended to read as  
3 follows:

4 "*Targeted small business*" means a small business which is  
5 fifty-one percent or more owned, operated, and actively managed  
6 by one or more women, minority persons, service-disabled  
7 veterans, or persons with a disability provided the business  
8 meets all of the following requirements:

9 Sec. 2. Section 15.102, subsection 10, paragraph b, Code  
10 2015, is amended by adding the following new subparagraph:  
11 NEW SUBPARAGRAPH. (4) "*Service-disabled veteran*" means the  
12 same as defined in 15 U.S.C. §632.

13 Sec. 3. Section 73.14, subsection 1, Code 2015, is amended  
14 to read as follows:

15 1. The state, board of regents institutions, counties,  
16 townships, school districts, community colleges, cities,  
17 and other public entities, and every person acting as  
18 contracting agent for any such entity, shall, when issuing  
19 bonds or other obligations, make a good-faith effort to  
20 utilize minority-owned, service-disabled veteran-owned,  
21 and female-owned businesses for attorneys, accountants,  
22 financial advisors, banks, underwriters, insurers, and other  
23 occupations necessary to carry out the issuance of bonds or  
24 other obligations by the entity.

25 Sec. 4. Section 73.14, subsection 2, Code 2015, is amended  
26 by adding the following new paragraph:

27 NEW PARAGRAPH. c. "*Service-disabled veteran-owned business*"  
28 means a business that is fifty-one percent or more owned,  
29 operated, and actively managed by one or more service-disabled  
30 veterans, as defined in 15 U.S.C. §632.

31 Sec. 5. Section 73.16, subsection 2, paragraph d, Code 2015,  
32 is amended to read as follows:

33 d. Of the total value of anticipated procurements of  
34 goods and services under this subsection, an additional  
35 goal shall be established to procure at least forty percent

1 from minority-owned businesses, and forty percent from  
2 female-owned businesses and forty percent from service-disabled  
3 veteran-owned businesses, as defined in section 73.14, that are  
4 targeted small businesses.

5 EXPLANATION

6 The inclusion of this explanation does not constitute agreement with  
7 the explanation's substance by the members of the general assembly.

8 This bill relates to service-disabled veteran-owned  
9 businesses by establishing certain state procurement goals  
10 and preferences in government contracting and by expanding  
11 the definition of a targeted small business to include such  
12 businesses.

13 Under current law the state, board of regents institutions,  
14 counties, townships, school districts, community colleges,  
15 cities, and other public entities, and every person acting as  
16 contracting agent for such entities, are required to make a  
17 good-faith effort to utilize minority-owned and female-owned  
18 businesses for attorneys, accountants, financial advisors,  
19 banks, underwriters, insurers, and other occupations necessary  
20 to carry out the issuance of bonds or other obligations. The  
21 bill requires that such entities also make a good-faith effort  
22 to utilize service-disabled veteran-owned businesses in such  
23 instances.

24 Current law also requires the establishment of procurement  
25 goals from certified targeted small businesses. Current law  
26 also establishes a goal that at least 40 percent of the total  
27 value of anticipated procurements from certified targeted small  
28 businesses be procured from minority-owned businesses and 40  
29 percent from female-owned businesses. The bill establishes an  
30 additional goal that at least 40 percent of the total value  
31 of anticipated procurements from certified targeted small  
32 businesses be procured from service-disabled veteran-owned  
33 businesses.